

CIE APPEARANCE

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Turner Denies Major Shuffle

Top CIA Aide Resigns In Dispute Over Policy

By Nicholas M. Horrock
New York Times News Service

Adm. Stansfield Turner, director of central intelligence, has announced the resignation of his top aide, E. Henry Knoche, who, senior Carter administration sources said, had sharp policy differences with the admiral.

The abrupt resignation, which was submitted by letter July 5, revived reports that Turner was having difficulty dealing with sagging employee morale in the agency, and that he had had several disputes with the professional intelligence officers who form the management of the agency.

Word of Knoche's resignation had spread in Washington before Turner's announcement yesterday, and was followed by unconfirmed reports that the admiral was trying to force several senior members of the agency's covert operations section into early retirement.

But Turner denied such reports, saying:

"THERE ARE NO plans for forced retirements or removals of any top CIA officials. There are no plans for major changes in the CIA organization at this time."

But Knoche, who has been with the CIA for 24 years and received the nation's highest award for distinguished civil service in January, indicated in a statement to the staff that changes were coming.

"We have successfully come through some difficult times together in recent years," he said. "More change looms on the horizon, and properly so. Dealing with these challenges will be an exciting task."

"But in the end, having weighed all the factors, I concluded that it would be in the best interests of the agency and the nation's intelligence effort if I stepped aside now to facilitate the director's task as he prepares to make decisions about new organizational forms and the kind of new leadership that he will need to carry out his future plans."

Intelligence officers said privately that Knoche found his decisions in-



E. HENRY KNOCHE
"Best... if I step aside"

creasingly countermanded by Turner and that his access to and relationship with the admiral were extremely formal and difficult. "The situation deteriorated to the point where I think he felt it served no purpose to try to remain at his post," a close associate of Knoche said.

KNOCHE, A TALL, lanky soft-spoken professional intelligence analyst, had gained widespread respect at the White House and on Capitol Hill for his handling of the massive investigations the CIA underwent for the past two years. He was regarded in the agency as part of a "new breed" of executives, less committed to covert operations and other agency swashbuckling and more to the presentation of accurate and professional intelligence estimates to the President.